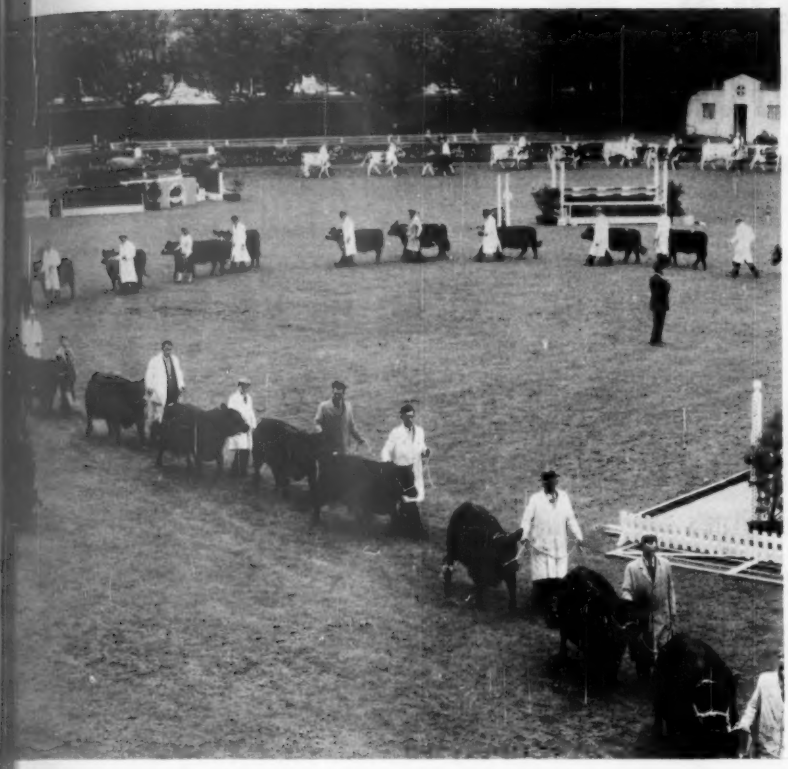

JANUARY 27, 1964

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HIGHLIGHTS ON 1964 WORLD AGRICULTURE

IRELAND'S NEW SEVEN YEAR PLAN

U.S. AGRICULTURE'S VISITORS FROM ABROAD

# FOREIGN AGRICULTURE

## Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

# FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

JANUARY 27, 1964

VOLUME II • NUMBER 4

The Spring Show in Dublin features a proud parade of prize-winning cattle. Ireland's agriculture, similarly, features livestock and livestock products; and so do Ireland's exports.

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# Highlights of the 1964 WORLD AGRICULTURAL SITUATION

A rise in world agricultural production in 1963-64 slightly above last year's level, but below the increase in world population, is expected. Associated with this are a record movement of farm products in world trade and a slight increase in world prices for 1963-64 compared with last year. The exception to the continued uptrend in agricultural production is Eastern Europe, especially the USSR.

During the latter part of 1962 and in 1963, higher world prices of farm products brought them more closely in line with prices of nonfarm products than they had been in recent years. A substantial rise in world prices of certain food products occurred in the first three quarters of 1963; these were significant for corn, sugar, and some livestock products, especially butter. A smaller rise occurred in prices of many other food products, and of nonfood farm product exports as a whole. Wool and sisal prices mounted sharply. Some other prices, such as those for tobacco and cotton, increased slightly, while the price of natural rubber declined.

### Production and exports

Contributing most to the expected per capita decline in the world supply of agricultural products from 1962-63 to 1963-64 are reductions in output of wheat and milk. Sugar and rice production, however, has increased. Production of edible oilseeds, other fats and oils, and feed grains has remained at high levels. Meat and egg output has continued upward. Tobacco production has increased significantly. Cotton production has climbed to a record high, but other fiber crops generally have declined slightly.

World exports of farm products were up somewhat in 1962, while U.S. exports maintained their previous level of a little more than $5 billion. Some rise is expected in exports of both the United States and the rest of the world for calendar year 1963, and a further rise to new highs is expected in U.S. and Canadian farm exports during the year ending June 30, 1964. Fiscal year 1963 U.S. farm exports were valued at $5,084 million compared with $5,142 million the previous year.

Population growth combined with short crops in Eastern Europe and in several populous countries of Asia will necessitate increased food imports by those areas. The mounting industrial productivity in the United States, Western Europe, Japan, Canada, and Australia will further stimulate world agricultural trade. Somewhat higher prices for tropical agricultural exports will add a bit to the purchasing power of many less developed countries.

Despite a slight rise in total agricultural output during 1963-64 there is a decline of about 2 percent in per capita output because of the rapid rate of population growth. Drought conditions in parts of Latin America and hurricanes in the Caribbean have limited increases in production. Both total and per capita output are up sharply in Canada.

Canada's record wheat crop and Argentina's expected increase in grain output will contribute to greater export supplies for the Western Hemisphere. Similarly, the United States with a record corn crop and substantial stocks of wheat and other crops can help considerably to meet the apparent food deficit in other parts of the world.

### Western Europe's crops

Total West European farm output was at a very high level in 1963, as it was in 1962. Despite winter damage in grain, especially wheat, most countries showed little or no declines in total farm production. Wheat imports will be substantial in 1963-64, but feed grain imports may be reduced by the increased availabilities of low-quality wheat and by increased production of barley and corn. Total consumption of feed grains in 1964 will continue to grow as livestock production moves steadily upward.

The extent to which the price support system of the European Economic Community (EEC), as implemented by tariffs, variable levies, and other measures under the Common Agricultural Policy (CAP), will deter imports of farm prod-

ucts from nonmember and nonassociate countries is still uncertain at this time. The CAP so far has had adverse effect on some imports, mainly poultry and wheat flour, but since the policy has not yet been fully implemented or extended to all products, its overall effect has been limited.

Agricultural output in Eastern Europe in 1963-64 will be markedly less than during the preceding year. The decline is estimated at 4 percent in the USSR and an average of 2 percent in other countries. Adverse weather sharply reduced crop output, especially of spring wheat in the New Lands areas of the USSR.

### No advance in USSR

This poor agricultural outturn has a number of significant implications. For the fifth year agricultural production in the USSR has failed to advance beyond the 1958 level, although substantial increases were planned. The large imports of wheat by the Soviet Union suggest extremely low food grain reserves throughout the Soviet Bloc. The poor showing further points up the precarious nature of agricultural production in Eastern Europe. Most satellite countries depend on the Soviet Union for considerable quantities of grain, especially wheat. In turn, the USSR now depends heavily on its New Lands area for wheat. Thus, a serious crop failure in the New Lands, as occurred in 1963, has a disproportionate impact on the Soviet Union and the Bloc.

In Western Asia agricultural production in 1963 increased 4 percent over a year earlier, largely because of a significant gain in Turkey. Imports will again be required to meet the area's net deficits in wheat and fats and oils. Agricultural exports from 1963 production will hold steady, despite sharply reduced exports of raisins from Turkey.

Agricultural production in Africa is likely to increase about 2 percent in 1963-64 if anticipated yields materialize. Trade patterns, similar to those of recent years, will feature increases by the Republic of South Africa in imports of wheat and exports of corn. Emergency assistance continues to be needed in parts of Africa, especially in the Congo (Leopoldville).

Agricultural production reports in both the Far East and Oceania show a rise in total output for 1963-64, but per capita output will decline an estimated 1 percent in Asia. The largest production increases in the Far East occurred in Taiwan, the Philippines, Federation of Malaysia, and Pakistan. Unfavorable yields from early summer crops resulted in reduced farm output in Japan and Korea. In Mainland China and India no major changes are reported. Wheat imports by Mainland China in 1963 exceeded those of 1961 or 1962. (Its agricultural output appears unable to keep pace with population growth.)

Imports of wheat and some other commodities will again be needed by India and Pakistan. Deficit rice-consuming areas, particularly Malaysia, Ceylon, and Indonesia, will again require substantial rice imports in 1964. The expected near-record Australian wheat crop of about 8 million metric tons has largely been committed to regular Australian customers (such as the United Kingdom, other Commonwealth countries, and Japan) and to big advance sales to Communist nations.

### The next few years

Projections of factors affecting production, consumption, and trade for major commodities show the need for food imports by foreign countries trending upward over the next several years. Demand will grow faster than food production in many areas outside the United

ESTIMATED WORLD PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES, AVERAGE 1955/56-1959/60, ANNUAL 1961/62-1963/64

| Commodity | Unit | Average 1955/56 1959/60 | 1961/62 | 1962/63 | 1963/64[1] |
|---|---|---|---|---|---|
| Wheat | Mil. bu. | 7,995 | 7,880 | 8,730 | 8,240 |
| Rye | do | 1,440 | 1,340 | 1,245 | 1,165 |
| Rice, rough[2] | Mil. m.t. | 131 | 152 | 150 | 154 |
| Corn | Mil. bu. | 6,470 | 7,460 | 7,480 | 8,020 |
| Barley | do | 3,255 | 3,455 | 3,875 | 3,990 |
| Oats | do | 4,080 | 3,410 | 3,435 | 3,200 |
| Sugar, centrifugal[3] | Mil. s.t. | 49.6 | 57.0 | 55.0 | 58.7 |
| Sugar, non-cent. | do | 7.3 | 6.8 | 6.9 | 6.9 |
| Fruits, citrus | do | [4]15.9 | 18.1 | 15.9 | 17.2 |
| Apples & pears[5] | Mil. bu. | 602 | 690 | 772 | 690 |
| Potatoes[6] | Mil. cwt. | 5,339 | 5,304 | 4,784 | 5,028 |
| Dry beans[7] | do | 86.9 | 101 | 95.5 | 97.5 |
| Dry peas[8] | do | 13.0 | 10.6 | 12.6 | 12.8 |
| Hops[9] | Mil. lb. | 155 | 151 | 176 | 194 |
| Soybeans | Mil. bu. | 894 | 1,047 | 1,035 | 1,089 |
| Peanuts | Mil. s.t. | 14.3 | 15.0 | 15.2 | 15.1 |
| Flaxseed | Mil. bu. | 132 | 117 | 133 | 127 |
| Cottonseed | Mil. s.t. | 21.4 | 22.3 | 23.7 | 23.9 |
| Sesameseed | 1,000 s.t. | 1,610 | 1,583 | 1,651 | 1,645 |
| Castorbeans | do | 550 | 589 | 611 | 667 |
| Sunflowerseed | do | 5,666 | 7,084 | 7,451 | 6,585 |
| Rapeseed | do | 3,850 | 4,288 | 4,497 | 4,219 |
| Olive oil | do | [10]1,091 | 1,441 | 1,020 | 1,630 |
| Palm oil | do | 1,394 | 1,410 | 1,365 | 1,390 |
| Palm kernel oil | do | 447 | 440 | 405 | 410 |
| Coconut oil | do | 2,266 | 2,370 | 2,305 | 2,400 |
| Butter[11] | do | [4]4,960 | 5,300 | 5,400 | 5,225 |
| Meats[12] | Mil. cwt. | [4] 971 | 1,044 | 1,083 | 1,120 |
| Milk[13] | do | 5,773 | 6,111 | 6,189 | 6,058 |
| Eggs[14] | Billion | [4] 179 | 205 | 211 | 216 |
| Lard | Mil lb. | [4]6,835 | 7,125 | 7,320 | 7,240 |
| Tallow & greases | do | [4]6,475 | 7,295 | 7,230 | 7,740 |
| Tobacco | do | 8,518 | 7,723 | 8,630 | 9,165 |
| Coffee | Mil. bags[15] | 58.3 | 71.5 | 65.8 | 65.9 |
| Tea | Mil. lb. | 1,931 | 2,225 | 2,218 | 2,239 |
| Cocoa | 1,000 m.t. | 867 | 1,129 | 1,160 | 1,142 |
| Cotton | Mil. bales[16] | 43.7 | 45.9 | 48.8 | 49.1 |
| Wool | Mil. lb. | [4]5,385 | 5,745 | 5,715 | 5,780 |
| Jute | do | 4,416 | 5,545 | 4,955 | 4,855 |
| Sisal | do | 1,172 | 1,330 | 1,363 | 1,383 |
| Henequen | do | 298 | 373 | 369 | 307 |
| Abaca | do | 259 | 195 | 256 | 261 |

Note: Revised series. The data relate to the calendar year of the first year shown for tobacco, fats, oils (except olive oil) and oilseeds, livestock products, tea, and hard fibers. For other commodities, harvests in northern countries in the first year shown are combined with those in the Southern Hemisphere which immediately follow. [1] Preliminary. [2] Excludes Communist Asia and USSR. [3] Selected countries only. [4] 1956-60 average. [5] Dessert and cooking, 20 countries. [6] 32 countries. [7] 28 countries. [8] 19 countries. [9] 21 countries. [10] 1954/55-1957/58 average. [11] Product weight; includes ghee. [12] 44 countries; excludes poultry and variety meats. [13] 35 countries. [14] 32 countries. [15] Bags of 60 kilograms or 132 lb. each. [16] Bales of 480 pounds net.

*(Continued on page 16)*

*The sheep in the meadow at right and the cattle in the market, below right, are among Ireland's valuable export assets. The livestock industry of this green and pleasant land is scheduled for still further expansion under the new Seven Year Plan.*

By C. S. STEPHANIDES
*U.S. Agriculture Attaché, Dublin, Ireland*

# Agriculture's Role in Ireland's Seven Year Plan

This year, Ireland begins a Seven Year Plan—part of a long-term program for economic growth. Among the objectives are an expanding and efficient agriculture and a higher agricultural income per person. The target set for Irish farmers by 1870 is to increase gross agricultural output 31 percent over the 1960 figure.

To reach this target would call for an annual increase higher than the average for the past 10 years, but not higher than has been achieved during part of that period and well within the technical capacity of Irish agriculture. The target figure is also based on the assumption that in the second half of the 1960's international marketing arrangements for Irish farm products will be considerably improved by Ireland's admission to membership in the Common Market.

Ireland's farmers will need to make a strong effort if these targets are to be met. As the Blue Book presenting the program points out, the price and income support that the government can give to this effort is restricted by Ireland's major dependence on export markets for the sale of its agricultural produce, as well as by the country's general state of economic development compared with that of industrialized countries like Britain and Germany. Ireland does, of course, already give considerable direct support to farm incomes in relation to its resources, by guaranteed prices for wheat, barley, sugar beets, milk, and pigs. Indirect support comes through the link with British guaranteed prices in the Anglo-Irish trade agreements covering Irish store cattle and Irish store sheep and lambs fattened in Britain.

## Problems and policies

The fundamental problem confronting Irish agriculture at present is that while it could expand its production substantially, it could not profitably sell all the forms of this additional output under current international trading conditions. In the export markets where Ireland must seek outlets for most of its increased production, conditions are not now favorable for some of its food products, notably dairy products, pig meat, and other grain-derived produce.

In its Blue Book on the plan, the government stressed its intention of concentrating on the following three aspects of agricultural policy: Improved and stable access to export markets on reasonable terms, through trade agreements—particularly with Britain—and through eventual EEC membership; faster improvement in productive efficiency; and the strengthening of the farming structure through the creation of viable family farm units in areas where small holdings predominate.

Access to export markets, the Blue Book points out, requires that Irish farm products be sold to the best advantage by raising marketing methods and techniques to the

highest level of efficiency. Ireland now has representative marketing organizations for the principal farm products that can benefit from centralized exporting—milk and pork products and potatoes. The marketing arrangements for these and other products will continue to be improved in line with changes in selling techniques and consumer demand. Eventually, these arrangements must be adjusted to the requirements of the Common Market.

Improvement in farm productivity will necessitate a further expansion of Ireland's agricultural education and advisory services. In addition, the Blue Book states, the cooperative movement and other rural organizations can be a potent influence in Ireland's agricultural life by stimulating the adoption of improved farm practices. A survey of the cooperative movement has recently been undertaken by an American expert, and when his report is received, the government will consider the future structure and function of this movement in Ireland. Meanwhile, the agricultural advisory services will continue to work closely with the movement and with other rural groups.

### Aid for cattle, dairy products

The government intends to assist agriculture through price intervention, marketing supports, and direct aids to farmers. Special plans are in view for major export products in particular.

Cattle, live or killed, are Ireland's principal farm product, both in total output and in export value; and they are also, fortunately, the product for which increased export demand is most likely. A major aim of the new plan is to raise cattle marketings (already up from 1,046,000 in 1960 to 1,065,000 in 1962) to 1,500,000 by 1970—an increase of 454,000 from the base year, or 43 percent, almost all of which will be for export. The government has already announced a generous subsidy of £15 for every heifer kept to increase the herd population for the duration of the plan. There are also subsidies on fertilizers and grants for farm buildings and for land improvement—all designed to increase production at lower unit costs to the producer.

Next to cattle, milk products are the largest element in Ireland's agricultural output. Indeed, cattle and cattle products together account for about 50 percent of total farm output. Under present circumstances, increased cattle production will inevitably lead to an increase in milk output, which will be for disposal abroad, since domestic consumption of milk products is already high. If export prices remain low, there will be a substantial increase in the cost of supporting milk at present price levels. Ultimately, however, harmonization of milk price levels and of the conditions of competition among the members of an enlarged EEC should provide a common solution to the problems of th ...ilk market.

Meanwhile, as a recent survey of the dairy industry has indicated, there is considerable opportunity for better returns to creameries and farmers through improvements in efficiency at both farm and creamery levels. These improvements would include any necessary rationalization or diversification of production.

### Pigs and sheep important

Exports of pork, like those of milk products, are uneconomic at the prices currently received on export markets. Since the cash return from sales of these products abroad is of major significance to Ireland's national economy, it is important that unit costs of production be reduced in order to realize a bigger national profit. The efficiency of pork production will be increased through the Pig Progeny Testing arrangements, the Accredited Herds Scheme, more efficient methods of feeding and management, and, especially, the regulation of feed prices through the harmonization of grain prices by the Common Market countries—an action which would also (according to the Blue Book) tend to equalize conditions of competition.

Encouraging to Ireland's agricultural planners is the steady increase that has taken place in sheep numbers and in lamb and wool production. Sheep numbers have more than doubled since the war. Profitable export markets for lamb and wool look reasonably certain for the years ahead, and the development of production, processing, and marketing will be strongly encouraged. The government will continue to support the program of sheep breeding and its expansion, especially in the west where farming conditions are poor.

The government will also continue to encourage the production of fruits and vegetables and the setting up of processing plants for the orderly marketing of these products.

### Farm size a problem

The government's emphasis on economically practical family farm units arises from the marked changes Irish agriculture has undergone in recent years. On the one hand, the number of people engaged in agriculture has been falling, as it has elsewhere in Europe—by some 20 percent during the 1950's—and this trend seems likely to continue. This decline has been reflected in a larger number of holdings between 50 and 200 acres and smaller numbers in all other categories—a tendency that has been accelerating of late, partly through the work of the Land Commission and partly through private consolidations. At the same time, there are counties where small holdings are in the majority. To encourage effective structural reform in these areas, the government has plans to make idle and underworked land and the land of retired farmers available to strengthen the position of farmers now underemployed on inadequate holdings. The Land Commission has been directed to aim at the achievement of a farm unit of 40 to 45 acres of good land, to meet the need for a family farm that can survive in the conditions expected during the next decades.

### What's to be done

For economic and technological reasons the movement towards a larger average size of holding will probably continue. But, to raise income levels on the smaller family farms and so keep as many people employed in agriculture as is consistent with Ireland's economic and social progress, the government plans to promote by every available means the more intensive use of farmland, within the limits set by marketing possibilities for Irish farm products. Agricultural educaton, advisory and research services, agricultural credit institutions, marketing organizations, and external trading policies will all be pointed toward achieving this objective.

If Irish agriculture achieves the target set for it, output per person engaged in agriculture would rise at an annual average rate of more than 4½ percent—somewhat higher than that expected of other sectors of the economy. The result should be a progressive narrowing of the income gap between agriculture and other occupations.

# The FOREIGN MARKET for FRESH and PROCESSED CITRUS

Fewer supplies of U.S. winter oranges and grapefruit will be available for the export market this winter because of low production of winter fruit in Florida this year—largely the result of frost-caused tree damage which occurred early in 1963. However, good summer citrus crops in California and Arizona will offset some of the expected decline in exports of winter fruit from Florida.

For fresh fruit, these shortages will affect primarily our Canadian market. Canada ordinarily takes about 6 million boxes of oranges a year. While the United States continues to be Canada's major source or oranges, our share of this market has been decreasing. In the 1958-59 season, we supplied about 90 percent of Canadian orange and tangerine imports, but by the 1960-61 season, our share had declined to about 75 percent. South Africa, Japan, Mexico, and Israel have all expanded their exports to Canada, and the current U.S. shortages will add some stimulus to this trend.

Most U.S. fresh citrus going to markets other than Canada is shipped in the summertime; therefore, the shortages in Florida will restrict exports of citrus products much more than exports of fresh fruit.

For the 1963-64 season, total exports of citrus products will be far smaller than the 1961-62 exports of 1 million gallons of hot-pack orange juice, 5 million gallons of frozen orange juice concentrate, 4.7 million cases of canned single-strength orange and grapefruit juice, and 350,000 cases of grapefruit sections.

### Summer citrus outlook

Prospects for U.S. exports of summer citrus from California and Arizona are more favorable, since California produced a crop of Valencia oranges about a million boxes larger than last year, and California and Arizona's 6 million-box crop of grapefruit is also more than a million boxes larger than last season. The California-Arizona lemon crop shows the greatest increase; this season it came to 3 million boxes more than last year's traditional production of 16 million boxes.

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Prepared by Fruit and Vegetable Division, Foreign Agricultural Service.

The combination of good lemon supplies in these two States and short summer lemon crops in Spain and Italy will create excellent trade opportunity for U.S. lemons from June to September, and total U.S. lemon exports to Europe may total over 2 million boxes, nearly equal to the past season. While Canada is the major U.S. export market for oranges and grapefruit, Western Europe is our major lemon export market—four times as important as Canada.

U.S. exports of oranges, lemons, and grapefruit to the Far East from the Pacific coast will probably be sustained near recent levels of about 750,000 boxes of oranges, 20,000 boxes of grapefruit, and 150,000 of lemons.

Early in 1963, practically all Northern Hemisphere citrus producers experienced unprecedented frost losses. In the United States, frost caused crop losses in Arizona, California, Florida, and Texas. Spain also suffered severe frost losses; Greece lost about 10 percent of its orange crop, and Italy had a small crop of oranges and lemons owing to some frost damage the previous season. This situation left both the world's major market areas, the United States and Western Europe, undersupplied with oranges and grapefruit.

In the aftermath of this extensive frost damage, Spain this season has recovered to nearly normal production, and so has California, since the frost of last season affected only the fruit, and did no extensive damage to trees. Florida, however, suffered extensive tree damage which not only resulted in this year's low production, but which will affect production to some extent for the next few years.

Of all major citrus producers, Israel was the only one that was not touched; it had an undamaged, record crop of both oranges and grapefruit.

### Orange imports

Although the United States has recovered its losses to some extent this season, the short Florida orange crop will result in record U.S. imports of fresh oranges and orange juice during the winter season. Much of this fruit will be imported from countries that either underwent no frost damage in 1963 or have recouped normal production. Most of the imported juices will be blended with U.S. orange juice, and U.S. consumers will not see foreign brands on the market shelf.

Northeastern Mexico will probably be the United States' greatest source of oranges for use both as fresh and processing fruit. Oranges will also be received from Israel and small producing countries in the Caribbean. Most Caribbean-produced fruit will undoubtedly go into processing.

Israel will expand its exports of the large, easy-to-peel Shamouti oranges to American markets in January, February, and March. Shamouti oranges are a rather high-priced table fruit, and few if any will be used for processing.

Spanish citrus exporters are at least considering the possibility of exporting some oranges to the United States this season. If they do, the American public may have the rare opportunity to sample Mediterranean Blood oranges.

### Italian juice imports

While the United States will be importing oranges and orange juice, very little grapefruit and no fresh lemons are likely to be imported into this country from the Mediterranean. However, it is possible that much Mediterranean-produced lemon juice may find its way to the United States, especially Italian juice.

Italian processors have plentiful supplies of lemon juice on hand. Some of it is preserved lemon juice stocked from the previous season, the rest comes from this year's large winter lemon crop. By tapping both sources, Italian processors could ship over a million gallons of lemon juice into the United States in the 1963-64 season.

These lemon juice imports compete directly with U.S. lemon juice. Unlike imported orange juice, which is used by U.S. processors to supplement domestic supplies, foreign lemon juice is usually imported by those who compete with established U.S. processors. Thus, while Florida processors will depend on imported orange juice to stretch out available domestic supplies, California and Arizona lemon growers will regard imported lemon juice as serious competition.

# U.S. Agriculture Draws Visitors From Many Lands

During the past 8 years, the U.S. Department of Agriculture has assisted in the training of nearly 21,000 agricultural leaders and specialists from abroad. The number of these individuals has been increasing steadily and last year reached a near-record 3,808, compared with 2,437 in 1956.

Some of these foreigners have come as members of tours to view agricultural laboratories, offices, and experimental farms across the country; others have studied at State universities as part of their training programs. All have found in the United States the opportunity to acquire new ideas and skills.

Countries participating in the foreign training program have varied annually according to political climate, their level of interest in rural development, and the scope of the U.S. foreign aid program.

In fiscal 1963, 120 countries were represented, including all the new African countries. Japanese agriculturalists continued to come to this country despite the cessation of American assistance in Japan. Also, the number of foreign visitors from Europe remained high. In each of the past 3 years the largest number of visiting agriculturalists was from France. Other nations high on the list in 1963 were Brazil, Great Britain, Indonesia, and Nigeria.

Subjects for study were numerous, with emphasis upon the important economic and marketing courses and the basic animal and crop sciences. In 1963, 188 AID participants came to study the extension program; 59, agricultural cooperatives; 29, agricultural engineering; 69, forestry; and 33, home economics. Also there was a short course in public administration for key visitors from developing countries.

These foreign leaders are sponsored mainly by the State Department's Agency for International Development (AID), but the Department of Agriculture plays the major role in their training. For instance, the Department plans and supervises programs for some 1,000 AID-sponsored participants; in addition, it assists numerous other persons who may require only a few appointments in Washington.

Besides maintaining close contractual ties with land grant colleges and AID, the Department cooperates with private foundations, foreign embassies, the United Nations' FAO, and other U.N. organizations, with NATO, SEATO, the OECD, the State Department's cultural and exchange programs, and with agricultural attachés.

Other cooperators dot the agricultural landscape of the United States and Puerto Rico as well. Colleges feel that foreign visitors enrich campus life. Farm families welcome them, and professional agriculturalists support this opportunity to assist world development.

*Left, at the University of Hawaii, a training program is set up for two AID participants from China. Bottom left, visitors from Turkey and Egypt learn how to use precision measuring tools, California Polytech.*

*Above, a visitor from India discusses extension work with a county agent in Texas. Below, members of an extension study team representing many countries visit San Francisco's wholesale produce market.*

*Top right, participants from India and Yugoslavia consult on visual appeals. Above, Catherine Wangui from Kenya studies organic chemistry at Oregon State University. Below, a Tunisian is trained by a soil conservation specialist.*

# U.S. Alfalfa Dehydrators Call for Closer Ties With European Dehy Industry To Up U.S. Sales

Trade levies by West European countries against U.S. dehydrated alfalfa imports are not in immediate prospect, according to the recent report of a U.S. dehy industry team. The team urged, however, that the U.S. industry work more closely with its European counterparts to remove misapprehensions about U.S. production and marketing methods which, uncorrected, might lead to creation of barriers.

A greater exchange of information, the team said, would also help European dehydrators turn out a higher-quality, less expensive product. This would further stimulate demand not only for the domestic product, but also for U.S. dehy, now moving to Europe at the rate of about 75,000 tons a year.

The 2-man team—Richard L. Kathe, American Dehydrators Association official, and Carrol Syverson of Archer Daniels Midland Company—was sent by the U.S. Feed Grains Council to exchange ideas with Europe's dehy industry and explore reports that the industry was seeking variable levies ranging from $60 to $75 per metric ton against dehy from third-party countries.

At the present time, there is no levy on American dehy entering EEC countries. The United Kingdom puts a 10 percent duty on U.S. dehy, and Spain and Western Germany import dehy only on tenders, or licenses, issued by their agricultural ministries.

The team found that many European dehydrators believed U.S. dehy was being sold at "disastrously low prices" and "demoralizing" their domestic market. The team was able to explain that 1962 purchases of U.S. dehy were made at a time when U.S. prices were lowest, and that 1963 purchases were negotiated largely on the premise that 1963 prices would be comparable.

Material sold last winter and spring by U.S. producers to trading firms in expectation of a normal summer market was based on the same price and delivery as a much larger volume sold to U.S. feed manufacturers.

European dehydrators also believe that the U.S. industry is subsidized by the U.S. Government. The team pointed out that, on the contrary, there has never been any type of support, payment, or control of alfalfa production, and that U.S. dehydrators paid more for alfalfa in 1963 than ever before. Another point emphasized by the U.S. team was that the United States did not "unload" surplus production on the European market, but that sales were based on demand from exporting firms.

Greater effort by the U.S. industry to make clear the way in which it operates should be accompanied, according to the report, by a real effort to help European producers turn out a product whose quality and price will stimulate more widespread demand.

Most European dehy, when first produced, is comparable in quality to U.S. dehy—although much of it is the old "dusty" variety rather than the more modern pelleted type—but because of inadequate storage facilities, its quality soon falls off and demand slackens. For this reason, usage in Western Europe is only two-thirds that in the United States. In general, usage levels in European poultry feeds are good, but almost nonexistent in beef and dairy feeds.

The European industry is handicapped by a lack of the natural gas which is widely used in the United States to remove oxygen from airtight steel storage tanks or silos, so that the vitamin and xanthophyll content can be maintained during storage of dehy pellets. The widespread use in Europe and the United Kingdom of high-cost bunker oil as fuel for dehydration is a significant item in higher production costs. However, almost all costs are higher than those of the U.S. industry. The average cost to produce a short ton in France and in Italy is $53.64, in the Netherlands $64.09, compared with $31.40 in the United States. A part of the higher cost is that most alfalfa is raised on small farms and production costs are high.

However, new alfalfa production areas which range from 20 to 40 acres in size have been established in northern Holland, in two areas of France, and in other parts of Europe, and more are planned. In addition, new modern storage plants are being constructed in Denmark and France.

The American Dehydrators Association believes strongly that the best way to up U.S. dehy exports is by helping U.K. and European dehydrators to improve production, storage, and marketing techniques. European feed manufacturers will not fully accept a product which varies widely from one supplier to another, and from one time to another. The result is lower domestic sales, and lower imports from the United States.

## Big Foreign Sales Gains Win "E" Award for New York Firm

U.S. Secretary of Agriculture Orville L. Freeman (r.) recently presented the Presidential "E" Award to Claude Wachter, president of Regina Trading Corporation of New York City, for his firms outstanding success in building foreign sales of U.S. poultry.

Mr. Wachter, accompanied by his wife, received a citation commending the export firm for "its diligent search for new products to fill the needs of new market outlets" for U.S. poultry.

Mr. Schilling (r.) with Indian cotton buyers

# U.S. Cotton Sales to Japan May Offset Lower Demands by Other Textile Industries in Asia

Japan's textile industry continues to thrive in the midst of a general slowdown in mill activity in most Asian markets for U.S. cotton, according to a recent on-the-spot survey conducted by USDA Cotton Specialist Guy A. W. Schilling in Asia, Africa, and Europe. However, Japan's imports of U.S. cotton—while still climbing—may not prevent a possible leveling in U.S. cotton exports to Asia, traditional market for about a third of U.S. cotton.

In Japan—still No. 1 market for U.S. cotton—domestic and world demand for textiles is being reflected in higher U.S. cotton imports, expected to reach around 1.2 million bales in the 1963-64 crop season, compared with 895,000 the year before. Major factors in the sales increase will be competitive prices under the special sale-for-export program, Commodity Credit Corporation credit, loans from the Export-Import Bank, and the Indonesian P.L. 480, Title I, Triangular Purchase Agreement. As of December, the Japanese Ministry of Finance and the Ministry of International Trade Industry had approved only $13 million of CCC credit applications. Approvals should be forthcoming for one-third to one-half of remaining applications of $97 million.

The Philippines and Hong Kong also rank as important dollar markets for U.S. cotton, but financial difficulties in both countries may hinder the expansion planned for their textile industries—each having about 600,000 spindles. U.S. cotton already has a sizable share of the Philippine market, supplying nearly 58,000 bales out of the country's total imports of 76,000 bales during the first half of 1963. Hong Kong—though its textile exports have been lower than anticipated—expects to increase spindles by 100,000 bales. The country's textile industry took 79,000 bales of U.S. cotton in 1962-63.

India, which has the largest spindlage in Asia, has in the past received a great deal of its cotton imports from the United States under P.L. 480, Title I, and Barter, also some for dollars as required under P.L. 480. India will obtain 300,000 bales of U.S. cotton within 18 months under the Barter Program. These imports, plus big carryover stocks, give India a substantial supply of cotton on hand.

Pakistan has slated a 600,000-spindle expansion for its textile industry of 2.2 million spindles. The survey disclosed that many Pakistani spinners were unaware that under a former P.L. 480 agreement, their government could get about 20,000 bales of American-Egyptian cotton.

In the past, Korea and Taiwan have taken large amounts of U.S. cotton under Title I of P.L. 480. This year Korea may take less cotton because of heavy stocks of yarns and cloth. While Korean mills are doing a profitable business locally, only 485,000 spindles of the country's 526,000 are operating. Taiwan also has more spindles than are needed, with 460,000 installed and less than 400,000 operating.

In a survey made a year ago, Indonesia and Thailand—currently small importers of U.S. cotton—had a big potential for increasing takings under P.L. 480. Now it appears that Indonesia's ambitious plan to build a total 1.5 million spindles by 1968 has stalled, as only 200,000 spindles have been erected out of the 500,000 scheduled for operation by 1963. Looms and spindles purchased on credit from Britain and Japan have not been installed because Indonesia lacks the capital to assemble the machinery and to train labor to man it. Plans of Mainland China, the USSR, and West Germany to build a total of 610,000 spindles in Indonesia have not materialized, though an Italian firm has undertaken to build 30,000 spindles.

Thailand must also depend on outside credit for further expansion of the country's 100,000-spindle industry. Under consideration for some time have been plans for 20,000 spindles and 400 looms to be constructed with Japanese capital. Thailand's disorganized spinning industry needs advice on mill operation and marketing the goods. Long range prospects for U.S. cotton in Thailand depend on the outcome of a new drive to increase local cotton production.

Sales prospects for U.S. cotton are also limited at the moment in Burma, Malaya, and the Ryukyu Islands. In Burma, Mainland China's plan to set up a 40,000-spindle mill has bogged down. The only mill, in Rangoon, with 40,000 spindles, will not need P.L. 480 cotton for at least 2 years. Malaya too is slow building up its spinning industry, operating two small mills in Johore State with a total of 10,000 spindles. The Ryukyus have no cotton mill, and plans have been delayed to construct one.

Lebanon by contrast may take more cotton from the United States and less from Syria and the UAR—traditional suppliers—which reportedly have been dumping textiles in Lebanon. Lebanon's three mills have a total of about 80,000 spindles, though the Lebanese are considering applying for CCC

*(Continued on page 16)*

## EEC Countries Lower Import Levies on Pork

On January 1, all of the Common Market members lowered their import levies on pork and hogs from third countries, thus opening up potential U.S. markets in some areas of the EEC—mainly France.

There has been a general shortage of hogs for slaughter and of pork and a resultant inflation of prices throughout the Common Market. The EEC Council of Ministers has therefore permitted members to make reductions equal to the Belgian levy on pork imports from third countries.

The shortage is especially bad in France, where the average price for first-class hogs on the Paris market rose from 25 cents per pound in December 1962 to 35 cents in December 1963. The January 1 reduction is the third one since September for France. (See *Foreign Agriculture*, Dec. 23, 1963.)

West Germany also hopes to curtail rising consumer prices by encouraging pork imports. However, the German levies are considerably above those of France because of the higher German pork prices.

Shown below are the new levies on fresh and frozen pork, which became effective January 1, 1964:

| | France | W. Germany |
|---|---|---|
| | *Cents per pound* | *Cents per pound* |
| Carcasses | 1.8 | 7.1 |
| Hams, bone in | 4.1 | 7.8 |
| Shoulders, bone in | 1.7 | 7.2 |
| Loins | 2.0 | 11.7 |
| Bellies | 2.0 | 7.7 |
| Other cuts | 3.0 | 11.7 |

Belgium is likewise experiencing rising prices as a result of a shortage of pork, and the Belgium Ministry of Economic Affairs has prohibited pork exports and extended premiums to pork importers. France is in opposition to the move since it had planned to import pork from Belgium to relieve its own shortages.

The EEC levy on imports of frozen pork variety meats from the United States and other third countries is a flat 20 percent ad valorem. U.S. exports of frozen variety meats to that market continue higher than a year earlier.

## U.S. Animal Product Exports Higher in 1963

In the first 11 months of 1963, exports of most livestock products were above those in the 1962 period.

Exports of animal fats were sharply above the previous year's. Lard exports were running at the highest level since 1960, as U.K. purchases remained fairly high in November. Exports of tallow and greases were up 15 percent and appeared to be headed for a record high.

Red meat exports continued to be paced by shipments of pork, largely to Canada, although increased exports to Japan have been noted in the last 2 months.

Variety meat exports in November were double those for the same month in 1962. Total variety meat shipments for the first 11 months were up 25 percent.

Exports of natural casings for the first 11 months were nearly one-fifth above the previous year's.

A strong fashion revival for mohair led to increased exports to most of the traditionally heavy users in Western Europe and Japan.

Exports of cattle hides, stimulated in large measure by the lowest prices in years, picked up strongly during November. For the entire year, they may have reached 8.0 million, compared with 7.1 million in 1962.

U.S. EXPORTS OF LIVESTOCK PRODUCTS, NOVEMBER 1963, WITH COMPARISON
(Product weight basis)

| Item | November | | Jan.-Nov. | |
|---|---|---|---|---|
| | 1962 | 1963 | 1962 | 1963 |
| | *1,000 pounds* | *1,000 pounds* | *1,000 pounds* | *1,000 pounds* |
| Animal fats: | | | | |
| Lard | 49,383 | 35,222 | 406,158 | 504,935 |
| Inedible tallow and greases [1] | 117,117 | 158,111 | 1,489,488 | 1,720,363 |
| Edible tallow and greases [2] | 818 | 769 | 11,331 | 9,848 |
| Meat: | | | | |
| Beef and veal | 2,757 | 2,865 | 24,491 | 24,876 |
| Pork | 6,824 | 15,120 | 56,998 | 121,596 |
| Lamb and mutton | 213 | 92 | 2,084 | 845 |
| Sausage: | | | | |
| Except canned | 118 | 168 | 1,381 | 1,562 |
| Canned | 93 | 65 | 782 | 820 |
| Baby food, canned | 124 | 13 | 972 | 576 |
| Other canned meats | 103 | 102 | 1,126 | 1,369 |
| Total red meats | 10,232 | 18,425 | 87,834 | 151,644 |
| Variety meat | 10,414 | 20,501 | 114,666 | 146,165 |
| Sausage casings: | | | | |
| Hog | 905 | 1,122 | 11,278 | 13,669 |
| Other natural | 559 | 509 | 5,519 | 6,222 |
| Mohair | 722 | 994 | 11,822 | 13,480 |
| | *1,000 pieces* | *1,000 pieces* | *1,000 pieces* | *1,000 pieces* |
| Hides and skins: | | | | |
| Cattle | 672 | 843 | 6,588 | 7,311 |
| Calf | 133 | 180 | 1,597 | 1,436 |
| Kip | 51 | 25 | 334 | 218 |
| Sheep and lamb | 221 | 307 | 2,014 | 2,600 |

[1] Includes inedible tallow, greases, fats and oils, oleic acid or red oil and stearic acid. [2] Includes edible tallow, oleo oil and stearin, oleo stock, and shortenings, animal fat, excluding lard.

## U.S. Sells Rice to Russia

The Continental Grain Company has announced the sale of 50,000 tons of rice to Russia for cash. The first such transaction for rice, this sale was made possible by the Commerce Department's issuance of licenses for exports of $7,450,000 worth of rice to Russia.

## Japan Liberalizes Feed Sorghums Imports

Japan has removed from its fund allocation system imports of grain sorghums under private license for feed use and has placed them under the system of automatic fund approval. This liberalizing of sorghums imports for feed places them under regulations similar to those for corn, which is also under automatic approval.

Grain sorghums and corn imported into Japan for feed are duty free. However, when imported for other than feed use, sorghums carry a duty of 5 percent and corn a duty of 10 percent.

Grain sorghums have also been imported under automatic approval in nominal quantities by Japan's Ministry of Agriculture and Forestry for the purpose of stabilizing supply and demand.

## India and UAR Sign Rice Agreement

India and the United Arab Republic have signed an agreement under which India will import 35,000 tons of Egyptian rice during calendar 1964. India will pay for these imports in rupees under a barter-type arrangement. The Indian food delegation had hoped to obtain a much larger quantity of rice.

## Japan Budgets $5 Million To Import Pulses

The Japanese have planned for pulse imports costing $5 to $5.5 million, excluding mung beans, in the marketing year ending September 30, 1964. Purchases under the plan are expected to reach 100,000 metric tons at an average price of $100 to $110 per ton.

As usual, much of this quantity will come from Burma and Communist China and will include pulses other than the kinds of beans and peas produced in the United States.

U.S. exports of beans and peas to Japan have been trending upward as follows:

| | Beans | Peas |
|---|---|---|
| | *1,000 bags* | *1,000 bags* |
| Average, 1955-59 | 34 | (1) |
| 1959-60 | 63 | (1) |
| 1960-61 | 8 | 1 |
| 1961-62 | 30 | 16 |
| 1962-63 | 184 | 76 |

[1] Less than 500 bags.

While Japan has bought split and broken beans and peas in the United States at low prices, it also has purchased considerable quantities at higher prices. For example, in 1950-55, 5,000 bags of the U.S. beans imported were valued at $6.00 to $8.00 per hundredweight; in 1960, 36,000 bags were so valued; and in 1963, 90,000 bags. While many U.S. peas have been exported to Japan at declared values of approximately $3.50 per hundredweight, several shipments in 1963 were valued near $6.00.

## Spain Suspends Bean Import Duties

The Spanish Ministry of Customs published a decree on November 30, 1963, that suspended the import duty on beans for at least 3 months.

The soaring trend in domestic bean prices, the Ministry said, has made it advisable to encourage imports of this staple food product.

Spanish imports of beans in the last 5 calendar years were as follows:

| | Total imports | Imports from, the U.S. |
|---|---|---|
| | *1,000 bags* | *1,000 bags* |
| 1959 | 143 | 142 |
| 1960 | 136 | 136 |
| 1961 | [1] 11 | — |
| 1962 | [2] 27 | — |
| 1963 | [3] | [4] 104 |

[1] From Portugal. [2] From Portugal and Italy principally [3] Not yet reported. [4] U.S. exports to Spain January-October 1963.

## New Pricing System for Danish Broilers

Denmark's four cooperative poultry slaughterhouses are introducing a new system for pricing broilers, designed to stimulate domestic production of small chickens. Reason for the change is the difficulty encountered in marketing large Danish broilers profitably, in either the domestic or foreign markets.

For several months the cooperative slaughterhouses have urged their members to deliver smaller birds, preferably at a weight of 900 to 1,100 grams (2 to 2.4 lb.), New York dressed basis. This urging has, however, had very little effect, because it is more economical to produce the larger bird. The cooperatives have therefore decided to introduce a price and weight differential system, effective February 3, 1964, paying the highest prices for the smallest birds, as follows:

| Weight of bird: | |
|---|---|
| Up to 2.5 lb. | Maximum price [1] |
| 2.5+ to 2.6 lb. | Maximum, minus 0.7¢ |
| 2.6+ to 2.8 lb. | Maximum, minus 1.4¢ |
| 2.8+lb. and over | Maximum, minus 2.9¢ |

[1] Prices converted from Danish kroner per kg. at US$0.145 per krone. The current price for birds of all weights is 22.8 cents per lb., including 2 cents from the fee on domestic sales.

Payment will be made on the basis of the average weight of all birds delivered by a producer to the slaughterhouse at one time. The future weekly quotation will be the price paid for birds of 2.5 pounds or less, New York dressed basis.

The discount applied to the larger birds will be adjusted and announced weekly, together with the basic quotation. The slaughterhouses will try to keep the same weight ranges in the future.

It is felt that the new arrangement will benefit producers because a small surplus of large birds will depress the price paid for all birds. Large chickens between 3.3 and 3.5 pounds, New York dressed basis, are at present selling 2 cents per pound below the price for small ones.

The Association of Private Danish Poultry Slaughterhouses has announced that private slaughterhouses will follow the same pricing rules as the cooperatives. The private slaughterhouses always use the cooperatives' weekly quotations as the basis for payments to their own suppliers.

## Danish Butter and Cheese Sales Decline

Danish butter exports in the first 10 months of 1963, at 193 million pounds, were 8 percent below those in the same period of 1962. A reduction in shipments to the United Kingdom—from 182 million pounds to 170 million pounds—accounted for most of this decline, although sales to all other traditional markets except Italy also were considerably smaller.

Cheese shipments were down to 145 million pounds from 151 million a year ago. Sales to the United Kingdom, Sweden, and several minor markets were somewhat heavier, but these were more than offset by reduced shipments to West Germany Italy, Canada, the USSR and East Germany.

## 1963 Portuguese Dried Fig Pack Above Average

Dried fig production in Portugal's Algarve Province is estimated at 13,000 short tons for 1963, above both the previous year and the 1956-60 average.

Edible production from the 1963 crop is estimated at 9,600 tons, an increase of 1,300 over 1962. In 1962-63, Portugal's edible dried fig exports totaled 5,200 tons. Of this volume, 2,400 tons was whole dried figs and 2,800 tons was fig paste. The United States was, as usual, the largest purchaser of Portuguese fig paste.

In 1963-64, Portuguese exports of edible dried figs are expected to be above the 1962-63 level. Increases are expected to occur in shipments of both whole dried figs and fig paste.

According to Portuguese trade reports, export prices for fig paste have been quoted at about 9 cents per pound, c.i.f. New York.

FIGS, DRIED: PORTUGAL, SUPPLY AND DISTRIBUTION 1961 AND 1962, WITH COMPARISONS

| Item | Marketing season beginning September | | | |
|---|---|---|---|---|
| | Average 1956-60 | 1961 | Preliminary 1962 | Forecast 1963 |
| | *Short tons* | *Short tons* | *Short tons* | *Short tons* |
| Beginning stocks | — | — | — | — |
| Production: | | | | |
| Edible | 9,000 | 7,600 | 8,300 | 9,600 |
| Industrial | 2,600 | (1) | 2,900 | 3,400 |
| Total | 11,600 | 7,600 | 11,200 | 13,000 |
| Total commercial [2] supply | 11,600 | 7,600 | 11,200 | 13,000 |
| Exports: | | | | |
| Edible | | | | |
| Whole | 3,100 | 3,000 | 2,400 | 2,800 |
| Paste | 3,300 | 1,900 | 2,800 | 3,500 |
| Total | 6,400 | 4,900 | 5,200 | 6,300 |
| Industrial | 400 | — | 1,200 | 1,600 |
| Total | 6,800 | 4,900 | 6,400 | 7,900 |
| Domestic disappearance: | | | | |
| Edible | | | | |
| Whole | 2,600 | 2,600 | 3,200 | 3,300 |
| Paste | — | — | — | — |
| Industrial | 2,200 | (1) | 1,600 | 1,800 |
| Total | 4,800 | 2,600 | 4,800 | 5,100 |
| Ending stocks | — | — | — | — |
| Total distribution | 11,600 | 7,600 | 11,200 | 13,000 |

[1] Negligible. [2] Portion of crop not entering commercial trade channels is estimated at 5,000 tons for 1961 and 4,900 for 1962 and forecast at 4,800 for 1963.

## Imports of Mexican Strawberries Still Rising

During calendar 1963, the United States again imported a record amount of frozen strawberries from Mexico. On the basis of 10 months' actual imports and preliminary estimates of those during the last 2 months of 1963, the United States bought almost 35 million pounds of Mexican frozen strawberries. This compares with 32.3 million pounds imported in 1962 and 29.8 million in 1961. Mexico again furnished more than 95 percent of total U.S. imports.

## Italy Discourages Olive Oil Imports

In Italy olive oil imports are controlled in part by a ratio system which sets forth the proportion of government-held seed oil to be purchased relative to each unit of olive oil imported. Effective November 25, 1963, this ratio was established at 1:1, thus tending to discourage further imports of olive oil by making it compulsory to purchase one unit of government-held seed oil (or forfeit the equivalent payment for it, amounting to 100 lire per kilogram, or 7.26 cents per pound) for each unit of pressure olive oil imported. The narrowing of the ratio reflects this season's abundant domestic olive oil supply and the government's desire to provide some protection to the domestic industry by maintaining olive oil prices.

The 1:1 ratio replaces the 1:100 ratio existing during the period of scarce supply, February-November 1963. Before that, in early December 1962, the ratio had been set at 1:8 when the short supply situation and rising prices were first recognized.

Italian imports of olive oil during the November 1962-October 1963 period totaled 133,622 short tons compared with 85,292 tons in 1961-62.

Shown below are the amounts of oils and oil-bearing materials that may be imported for each 100 kilograms of government oil purchased, and the current ratios applicable to these imports:

| | *Kilograms* | |
|---|---|---|
| Oils and fats: | | |
| Olive oil: | | |
| Pressure oil | 100 | 1:1 |
| Solvent and industrial | 20 | 1:0.2 |
| Linseed oil: | 20 | 1:0.2 |
| Other vegetable oils: | | |
| Crude | 120 | 1:1.2 |
| Refined | 20 | 1:0.2 |
| Refined fatty acids and acid oils: | 10 | 1:0.1 |
| Oil-bearing materials: | | |
| Linseed | 20 | 1:0.2 |
| Other oilseeds [1] | 170 | 1:1.7 |
| Olives | 170 | 1:1.7 |
| Olive residue | 20 | 1:0.2 |
| Oilcake and meal [2] | 170 | 1:1.7 |

[1] Including soybeans. [2] Containing more than 7 percent fat materials.

Il Mercato dei Cereali No. 48, December 4, 1963.

## Philippine Exports of Copra, Coconut Oil Hit New Peak

Registered exports of copra and coconut oil from the Philippine Republic in 1963, on an oil equivalent basis, totaled 810,427 long tons, an increase of over one-fifth from the 665,633 tons registered in 1962. Copra exports were up 12 percent; coconut oil shipments, 57 percent.

PHILIPPINES: REGISTERED EXPORTS OF COPRA AND COCONUT OIL, 1962 AND 1963

| Country and continent of destination | 1962 [1] | 1963 [1] |
|---|---|---|
| Copra: | *Long tons* | *Long tons* |
| United States | 249,594 | 245,293 |
| Europe | 512,795 | 623,693 |
| South America | 45,928 | 16,970 |
| Japan | 14,700 | 37,477 |
| Other Asia | — | 500 |
| Middle East | 1,500 | 3,250 |
| Total | 824,517 | 927,183 |
| Coconut oil: | | |
| United States | 137,142 | 183,642 |
| Canada | 800 | — |
| Europe | — | 33,388 |
| Total | 137,942 | 217,030 |

[1] Preliminary.
Compiled from monthly data on registered shipments.

Registered shipments alone in 1963 exceeded the previous peak level of 783,468 tons in 1957 for total exports, both registered and unregistered. Total exports in 1962 were an estimated 714,367 tons.

The sharp expansion in registered exports in 1963 over the previous year reflects three circumstances: More than adequate rainfall in the major coconut-producing areas from November 1961 to October 1962 and an absence of damaging typhoons; an increase in the number of producing palm resulting from new plantings in the south and replantings in the north during the early fifties; and the currency decontrol in early 1962, which increased commercialization of the coconut and decreased the level of unregistered overshipments.

## Ireland Buys Brazilian Soybean Meal

During December 1963, Ireland imported 4,000 long tons of Brazilian soybean meal (45 percent protein content) at prices ranging from £33 to £36 10s. 0d. ($92.40 to $102.20) per ton. This was £1 5s. 0d. to £1 10s. 0d. ($3.50 to $4.20) less than the price of U.S. and other soybean meals at that time.

## Nigeria Ups Producer Prices for Palm Products

For the 1964 marketing year, the Eastern and Western Nigerian Marketing Boards have increased producer prices by £1 per ton ($2.80) for special grade and technical grades of palm oil (except the price for grade III in Eastern Nigeria, which remained unchanged). Prices per long ton naked ex-scale port of shipment are as follows:

| | Eastern Nigeria | | Western Nigeria [1] | |
|---|---|---|---|---|
| | *Pounds* | *U.S. dols.* | *Pounds* | *U.S. dols.* |
| Palm kernels | [2] 27 | 75.60 | 28 | 78.40 |
| Palm oil: | | | | |
| Special grade | [2] 41 | 114.80 | 42 | 117.60 |
| Technical grade: | | | | |
| I | [2] 35 | 98.00 | 36 | 100.80 |
| II | [2] 31 | 86.80 | 32 | 89.60 |
| III | [2] 26 | 72.80 | 28 | 78.40 |

[1] Prices are subject to a £1 or $2.80 per ton produce sales tax. [2] Less 15s. or $2.10 per ton at all ports at which Marketing Board operates a store. [3] Less £1 5s. 3d. or $3.54 per ton at Opobo only.

## South Africa Manufactures More Tobacco Products

Output of tobacco products in the Republic of South Africa during the first half of 1963 totaled 22.0 million pounds—up 8.3 percent from the 20.3 million produced during the same period in 1962.

Cigarette output, at 11.7 million pounds, was up 11.3 percent from the 10.5 million for January-June 1962. Production of cigarette tobacco for roll-your-own cigarettes rose to 19,055 pounds from 18,705, and that of pipe tobacco, to 10.3 million from 9.8 million. Output of cigars was also up, amounting to 28,094 pounds, compared with 24,181 during the first 6 months of 1962.

## Gambia's Tobacco Imports Down

Gambia's imports of unmanufactured tobacco during 1962 totaled 139,000 pounds, compared with 238,000 in 1961, 199,000 in 1960, 262,000 in 1959, and 341,000 in 1958.

Nyasaland supplies virtually all of Gambia's imported leaf requirements, mainly dark fire-cured tobaccos. Average prices paid per pound for leaf from Nyasaland were equivalent to 51.2 U.S. cents in 1962, 49.4 U.S. cents in 1961, and 51.6 U.S. cents in 1960.

Gambia's imports of tobacco products, principally cigarettes, during 1962 totaled 133,000 pounds, compared with 115,000 in 1961, 170,000 in 1960, 128,000 in 1959, and 184,000 in 1958. The United Kingdom was the principal supplier, accounting for almost all of Gambia's imports of tobacco products.

Cigarette imports during 1962 totaled 53 million pieces, with the United Kingdom supplying 98.7 percent of the total; the United States, 0.7 percent; and France and Belgium, the remaining 0.6 percent. Cigar imports were very small, only 8,800 pieces during 1962; most came from the Netherlands, with minor quantities from the Canary Islands and the United Kingdom. Imports of other manufactured products during 1962 totaled only 585 pounds; the United Kingdom was the principal supplier.

## Turkey's Cotton Production Stable

The 1963-64 cotton crop in Turkey is currently estimated at 1,075,000 bales, the same as in 1962-63. Planted acreage this season was 1,553,00 acres, compared with the 1962-63 figure of 1,631,000 and an annual average of 1,574,000 in the past 5 seasons.

Turkey exported 91,000 bales (480 pounds net) of cotton during the first 3 months (August-October) of the current season, compared with 83,000 bales shipped in the same period of 1962-63. However, exports during the full 1963-64 season are expected to be about equal to last season's total of 568,000 bales.

Principal destinations from August through October 1963, and quantities exported, with comparable 1962 figures in parentheses, were the United Kingdom 24,000 bales (13,000), Italy 23,000 (24,000), Belgium 17,000 (21,000), West Germany 11,000 (10,000), and Portugal 5,000 (3,000).

Prices of Turkish cotton in world import markets have risen more than a cent a pound since the beginning of the current season. On December 19, Adana Standard I cotton was offered at 27.91 cents per pound, c.i.f. Liverpool, while Izmir Standard I was 30.30 cents. Comparable quotations in early August 1963 were 26.55 and 28.88 cents.

Turkey may consume slightly more cotton this season than the 500,000 bales used in 1962-63. Cotton stocks at the end of the current season are expected to be about 85,000 bales.

## U.S. Cocoa Bean Grindings Up

U.S. grindings of cocoa beans during the fourth quarter of 1963 amounted to 154.5 million pounds. This brought total 1963 grindings to 583.6 million, 4 percent above 1962's and 9 percent above 1961's.

U.S. COCOA BEAN GRINDINGS, QUARTERLY AND YEARLY TOTALS, 1961-63

| Period | 1961 | 1962 | 1963 |
|---|---|---|---|
| | *Mil lb.* | *Mil. lb.* | *Mil. lb.* |
| Jan.-Mar. | 133.9 | 142.3 | 155.5 |
| Apr.-June | 127.0 | 136.2 | 138.0 |
| July-Sept. | 127.9 | 131.2 | 135.6 |
| Oct.-Dec. | 151.6 | 152.0 | 154.5 |
| Total | 540.0 | 561.7 | 583.6 |

## Denmark Increases 1964 Sugar Beet Acreage

Denmark's 1964 sugar beet area is expected to be 169,440 acres, 14 percent more than in 1963. This increase was the result of negotiations between the Ministry of Commerce and the Danish sugar factories.

Under normal growing conditions, about 123,550 acres of sugar beets will meet domestic sugar requirements. The decision to contract for the large additional acreage is based on expected export possibilities for Danish sugar during 1964-65.

Denmark's 1963-64 production of sugar is estimated at 425,000 short tons, a sizable increase over that in the past few years. Net exports have been small, almost all going to the Netherlands.

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## 1964 World Agricultural Situation

*(Continued from page 4)*

States and will be spurred by steadily rising incomes in an increasing number of countries and rapidly increasing populations in Asia, Africa, and Latin America. Based on these economic projections, it is expected that agricultural exports from the United States will also trend upward over the next several years.

The rise in anticipated U.S. exports will be led by food grains, soybeans, and soybean oil. U.S. farm exports in 1968 are expected to be up one-fourth from 1959-61, when the annual value averaged $4.8 billion.

Further stimulation of agricultural production in the EEC countries during the next several years is expected; also, in the years ahead the CAP may have larger consequences for EEC trade than heretofore. Trade within the EEC will be encouraged in commodities that the member countries produce, and trade between the EEC and Greece, Turkey, Associated Overseas Territories, and countries with bilateral arrangements will also be stimulated.

## U.S. Cotton Sales to Japan

*(Continued from page 11)*

credit for further expansion of mill capacity.

No great change in the market for American cotton was found in Morocco, Ethiopia, and in the European countries visited, Poland and Denmark. In Morocco, the United States will remain the principal source of upland cotton, though mill expansion—now at 69,000 spindles—is moving at a slow pace. Ethiopia's textile industry of 95,000 spindles is handicapped by some mills under-selling others to move yarn and cloth stocks, thus narrowing profits for mill expansion. Poland's old and well-organized textile industry (56 mills with 2 million spindles) will continue to import U.S. cotton, though buildings and machinery should be remodeled for better results. Denmark's small textile industry continues to prosper.

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